MoU between LOC and Oil for overseas ventures

2276. SHRI K.RAMA MOHANA RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that IOC and OIL have signed MoU to jointly pursue business opportunities for exploration and production of oil and gas in overseas ventures;

(b) if so, the details of the MoU;

(c) whether OIL-IOC have any plan to acquire any companies abroad; and

(d) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Yes, Sir. On 8.12.2004, IOC and OIL have entered into a Memorandum of Understanding (MoU) to synergise the skills and strengths in the respective domains to jointly pursue overseas upstream business opportunities.

In terms of the MoU, the Participating interest of IOC and OIL in all overseas Opportunities will be equal unless mutually decided otherwise on a project-to-project basis. OIL will be the operator for all overseas upstream projects wherever the IOC-OIL combine acquires operatorship rights. Initially, the MOU will be effective for a period of 10 years and, thereafter, can be extended by mutual agreement

(c) and (d) IOC and OIL have been jointly pursuing acquisition of hydrocarbon exploration and production (E&P) opportunities overseas and, if necessary, could consider acquiring companies along with E&P assests.

Dilution of Government equity in ONGC

2277. SHRIMATI N.P. DURGA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have any plan to divest 5 per cent of its stake in ONGC during the fiscal years;

(b) if so, the present market capitalization of the ONGC; and

(c) in what manner the proposed 5 per cent money is going to be used by ONGC?